UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA OAKLAND DIVISION

2 OAKLAND DIVISION 3 DIGITAL IMPACT, INC., No. C 05-0636 SBA 4 Plaintiff, **ORDER** 5 [Docket No. 87] v. 6 BIGFOOT INTERACTIVE, INC., 7 Defendant. 8 9 BIGFOOT INTERACTIVE, INC., 10 Counterclaimant. 11 12 DIGITAL IMPACT, INC., 13 Counterdefendant. 14 15 Before the Court is an Order issued by the Ninth Circuit Court of Appeals which states as 16 follows: 17 Digital Impact sued Bigfoot for patent infringement. Bigfoot filed a 18 counterclaim, seeking a declaratory judgment of invalidity. On September 19, 2007 19 the United States District Court for the Northern District of California entered 20 summary judgment of noninfringement. Without expressly addressing or dismissing 21 Bigfoot's counterclaim, the district court entered a "final judgment." Subsequently, 22 Digital Impact filed this appeal. 23 A judgment that does not dispose of pending counterclaims is not a final 24

A judgment that does not dispose of pending counterclaims is not a final judgment. *Nystrom v. Trex Co., Inc.*, 339 F.3d 1347, 1351 (Fed. Cir. 2003). Because there is no final judgment disposing of all claims for relief, Digital Impact's appeal must be dismissed. *Id.*

Docket No. 91 at 1-2 (Order).

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On February 7, 2008, the Ninth Circuit thus dismissed the appeal.

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In this Court, after Digital Impact, Inc. ("Digital") sued Bigfoot Interactive, Inc. ("Bigfoot"), the latter did answer and file a counterclaim seeking a declaration of either non-infringement (first counterclaim) or alternatively, a declaration of invalidity (second counterclaim), regarding the disputed patent. *See* Docket No. 13 ¶¶ 23-24 (Answer & Countercl.). On September 18, 2007, the Court granted Bigfoot's motion for summary judgment [Docket No. 71], finding there was no infringement. *See* Docket No. 86 at 12 (Order). That same day, the Court granted judgment for Bigfoot, finding against Digital Impact, but did not issue judgment for Bigfoot on its counterclaim. *See* Docket No. 87 (Final J.).

As a result, the Court orders as follows:

- (1) This matter is RE-OPENED as of February 14, 2008;
- (2) The Final Judgment granted on September 18, 2007 and entered on September 19, 2007 [Docket No. 87] is VACATED;
- (3) The Court DECLARES, for the reasons stated in the Court's Order [Docket No. 86] on Bigfoot's motion for summary judgment of noninfringement [Docket No. 71], of U.S. Patent 6,449,634 ("634 patent"), entitled "Method and System for Remotely Sensing the File Formats Processed by an E-Mail Client," that Bigfoot does not perform all of the steps of the 634 patent, and it does not have sufficient connection with its e-mail recipients to be regarded as "jointly performing" the steps of the patent. Accordingly, Bigfoot did not infringe on independent claims 21 and 30 of the 634 patent, and by extension all claims dependent on 21 and 30;
 - (4) The Court DISMISSES Bigfoot's second counterclaim as moot;
- (5) The Court shall issue a First Amended Final Judgment reiterating the initial Final Judgment, but also granting judgment for Bigfoot on its first counterclaim for a declaration of non-infringement.

IT IS SO ORDERED.

February 14, 2008

Saundra Brown Armstrong United States District Judge

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